

# Community Report

2021



# Message from our Leaders

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As we enter our third year of living with COVID-19, I've been impressed with the continued resiliency shown by our community during these trying times. While some things improved over the last year in terms of the pandemic – like Sedona's economy, our ability to embrace flexibility and the incredible displays of the human spirit – we are also not yet out of the woods. I am hopeful that 2022 will bring a new phase of this pandemic, and bit by bit, we can resume a life where we come together in person without worry. One thing is certain: in the end, we will absolutely have become a stronger, more close-knit community by demonstrating our willingness to help each other.

City Council and staff proceeded to push forward through 2021 with projects and programs aimed at making this the best possible community in which to live. The City continued to thrive financially during 2021, in part due to our strong economy, and well thought-out planning and spending in recent years. This past year demonstrated how important it is to continue to focus on traffic, workforce housing and transit, among other priorities, that will benefit residents and improve our quality of life. Stay safe and healthy.

- Mayor Sandy Moriarty



"It's important to continue to focus on traffic, workforce housing and transit, among other priorities."



# A Word from the City Manager

Welcome to the 2021 Community Report! Despite continued challenges associated with the pandemic, this past year City Council continued to set ambitious goals and advance a policy agenda that will positively impact Sedona not only now, but for years to come. Some of these work program items include Sedona in Motion projects that were either started, completed or in the design phase; new transit and workforce housing programs being created from scratch; the approval of a Climate Action Plan that aims to reduce Sedona's carbon emissions by 50% by 2030, and the hiring of a legislative advocate to continue the fight for local control over the regulation of short-term rentals.

In addition to this written Community Report, we're capturing the 2021 accomplishments and more in our new annual state of the City video. A second video will also be produced near the beginning of each year to communicate any ongoing and newly established City Council priorities. We invite you to watch both of these videos at [www.youtube.com/cityofsedonaaz](http://www.youtube.com/cityofsedonaaz).

While we've made major strides in many areas this year, we know there is continued work to be done. Rest assured City staff are working hard on these initiatives while still providing the highest level of service to the community. We look forward to continuing to serve you in 2022.

- Karen Osburn, City Manager



"This past year City Council continued to set ambitious goals and advance a policy agenda that will positively impact Sedona not only now, but for years to come."

## Priority Projects

In addition to the City's everyday operations, City Council sets priorities, which translate into special projects that City staff complete. For 2021, City Council's priorities included:

- Implementing ongoing Sedona in Motion (SIM) traffic improvements including transit
- Pursuing workforce housing opportunities
- Monitoring and advocating for local control of short-term rentals
- Mitigating neighborhood impacts from trailhead parking
- Enhancing our emergency preparedness planning
- Exploring environmental sustainability opportunities including implementation of the Climate Action Plan

# Sedona in Motion



Sedona in Motion (SIM) continues to be our highest priority. Four years into the initiative, here are the 2021 accomplishments on current, major SIM projects. Learn more at [www.sedonaaz.gov/sim](http://www.sedonaaz.gov/sim).

## **Transit Update**

- Working to deploy trailhead shuttles in Spring 2022 and microtransit service later in 2022.
- Procured hybrid shuttles, hired an operations team and completed branding for the busses.
- Took next steps to prepare for design of a transit maintenance/operations facility and a transit mobility hub.

## **More Walkability and Bikeability**

- Completed construction of approximately 2 miles of Sedona Trails & Pathways System (ST&PS) shared-use paths.
- Completed design for another 2 miles, with 21.5 total miles identified in the Get Outside (GO) Plan.

## **Connectivity between West Sedona and Uptown**

- Completed design and bid for construction of the Forest Road Connection Project.
- Construction is expected to begin in 2022.

## **179 Congestion Relief**

- Completed design of the pedestrian crossing at Oak Creek with expected construction to begin in Spring 2022.
- Worked on design of the Portal Lane to Brewer Road connection and first steps towards redesign of the Brewer/Ranger intersection.
- Completed design for connection from Los Abrigados to Brewer Road. Construction is expected to begin in Spring 2022.

## **Uptown Parking and Congestion**

- Received the Community Plan Amendment and rezoning approval for the Uptown parking garage and completed 60% of the design.
- Assessed potential northbound 89A improvements between Forest Road and Amara Lane.



# Our Financial Picture

The City plans and measures finances in Fiscal Year (FY) increments, from July 1 to June 30. Despite the ongoing pandemic, the City's sales and bed tax revenue collections for FY 2021 outpaced any prior year and the trend continues into FY 2022. These increases seem to be a continuing indication of higher tourism levels and inflation. Another important thing to note: for FY 2022, City Council did not allocate any funding for destination marketing.

FY 21: July 1, 2020 -  
June 30, 2021  
FY 22: July 1, 2021 -  
June 30, 2022



## 1. Forecasts are Exceeded

Overall, the City's financial position remains strong. During the FY 2022 budget process, the General Fund's surplus for FY 2021 was estimated to be \$9.7 million. In actuality it was \$12.2 million. This provides the City with substantial opportunities to invest in projects, services and initiatives that better the community.



## 2. Refinanced Bond Debt

In 2021, the City took advantage of low interest rates and its strong credit rating to refinance \$9 million of debt. This in turn saved the City \$732,000. The City's existing bond debt will be fully retired in less than 6 years.



## 3. City Receives Clean Audit Report

Every year, the City is required to have an independent, third party conduct a financial audit. The City received a clean audit report for FY 2021. This demonstrates meeting our goal to maintain an administration set apart by good governance, financial compliance and internal controls.

# Livability Report

## Filling 3 roundabouts with art

### Arts and Culture

The Roundabout Art Selection Work Group chose sculpture submissions for five semi-finalists to be voted on by the public, to fill three roundabouts on 179. Finalists will have one year to complete their work before installation. The Artist in the Classroom program returned in 2021, with many teachers signing up artists to augment their curriculum with creative projects.

## Adopted a Climate Action Plan

### Sustainability

The City accomplished 16 sustainability initiatives in 2021, including:

- Adopted the Climate Action Plan, setting a community-wide goal of reducing Sedona emissions by 50% by the year 2030.
- Partnered to launch the Northern Arizona Solar Co-op, offering rooftop solar to 227 businesses and homeowners across the region.
- Completed the Green Fleet Plan to electrify the City's vehicle fleet.
- Kept 12,900 pounds of hazardous and 11,438 pounds of electronics waste out of landfills at the Household Hazardous Waste and Electronics Collection Event.

## Return of programs and events

### Parks and Recreation

Mid-year in 2021, the Parks and Recreation Department was able to have the return of various programs and events, both old and new, with increased participation seen across the board. Events offered included the 4th of July celebration, Trunk or Treat at Posse Grounds and Breakfast with Santa. New programming introduced Disc Golf in December and Storytime in the Park. The return of the rental facility program was highly welcomed by the community resulting in high demand for the spaces.

## Assisted over 50 businesses

### Economic Development

In 2021, local businesses were nimble, applying different business strategies and creative ways to keep their business open despite workforce shortages. As part of this effort, we:

- Hosted and/or partnered on 25+ business workshops/webinars.
- Assisted 50+ businesses with business planning and restructuring.
- Saw over 70 jobs created/retained.
- Matched funds of almost \$500,000 to bring broadband service in 2023 or 2024 to Sedona.



**Crimes against people and property crimes were down**

## Police Department

The Police Department continued to focus on providing exceptional service despite the department facing staffing challenges across the board. Of note:

- Crimes against people like assault, disorderly conduct, etc. were down 48% in 2021 compared to 2020.
- Property crimes like burglary, vehicle theft and trespassing were down 31% in 2021 compared to 2020.
- DUI arrests were up 24% in 2021 compared to 2020.
- Issued 1222 trailhead parking citations in 2021, 36% less than 2020 because of increased parking restrictions, barriers and enforcement.
- Hired 2 new officers with an additional 2 officers graduating the Police Academy, at the end of 2021.
- Brought emergency response partners together to update the City's Emergency Preparedness Plan.

**Three big strides**

## Workforce Housing

The City made three big strides in workforce housing – the hiring of a housing manager, the implementation a down payment assistance program with Housing Solutions of Northern Arizona and the public-private partnership with Sunset Lofts, LLC for the development of a 46-unit, rent-controlled local workforce apartment complex.

**Development continues to be strong**

## Community Development

2021 was another busy year for community development with 4,485 building inspections completed, up by 9% from 2020; and 745 building permit applications, up by 26% from 2020, in which 84 of these were new home permit applications, up by 25% from 2020. Code enforcement processed 775 cases, up by 210% from 2020 due in part to fewer calls in 2020 because of COVID-19 and a new trash ordinance in March 2021. There were 295 trash complaints alone, most related to short-term rentals. Also, the department launched the update to the Community Plan.

**12% of housing inventory is STRs**

## Short-term Rentals (STRs)

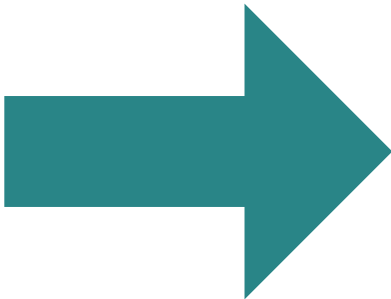
The City continues to identify STR properties, collect emergency contact information and manage the 24/7 hotline for people to report issues.

Interesting 2021 STR facts include that the City:

- Monitors 800+ STRs with 2,000+ bedrooms in city limits.
- Updated its noise ordinance to allow for more efficient enforcement.
- Calculates that 12% of housing inventory in city limits is STRs.
- Saw a 13% increase in STRs between 2020 and 2021.
- Hired a legislative advocate to further bolster efforts for local control.

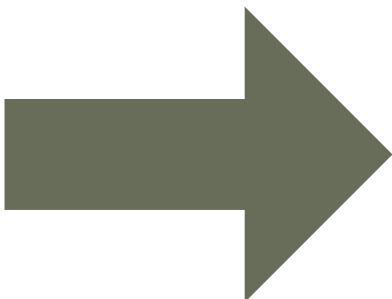
# Stay Informed

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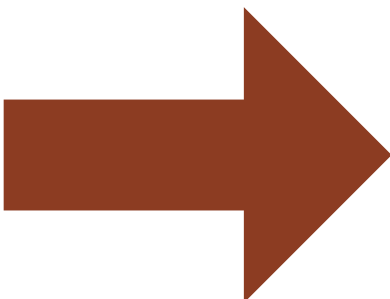
## Get Emergency Alerts

- Receive alerts to your cell phone for notifications like emergency road closures and disasters like floods and fire.
- Go to [www.sedonaaz.gov/alerts](http://www.sedonaaz.gov/alerts)



## Sign Up for City News

- Receive our monthly round up newsletter, calendar announcements, press releases and more.
- Go to [www.sedonaaz.gov/enotify](http://www.sedonaaz.gov/enotify)



## Follow Us on Social Media

- Follow our Facebook, Instagram and YouTube accounts @cityofsedonaaz